

SALES

How to increase sales productivity

Improve forecast accuracy, market penetration and revenues

Ducurated's 2015 study, State of Sales Productivity Report: Volume 1, confirms that only 32 percent of sales professionals' time is allocated to selling activities, which may be why only 53 percent of salespeople are meeting their sales quotas.

Before hiring additional salespeople, look under the hood and examine where you have sales productivity leakage.

Here are five areas to investigate:

1. Define your ideal client.

To maximize effort, be sure your sales team is pursuing the right prospects. Begin by identifying your most profitable clients and the qualities they have in common. List these qualities, and then run regression equations against your existing clients to identify the top correlations. You may be surprised to learn that your ideal client is different than your favorite client, your largest clients, your most tenured, or the easiest to do business with.

A company that did this found prospects that scored in the top 30 percent of qualified leads were three times more likely to do business with them than the bottom 70 percent.

2. Define your qualifying criteria.

Determine what constitutes a qualified prospect. Is it when the prospect identifies a real need? Or when the sales professional has

met with the key decision maker, who wants to explore the idea further? Or when there is a confirmed budget? Or when you can demonstrate a viable return on investment? Maybe it's a myriad of several elements?

The entire leadership/management team needs to reach consensus regarding what constitutes a qualified lead, as this will influence how the company supports sales and allocates resources.

3. Define your pipeline volume standard.

Let's say your sales team closes one out of five deals in the pipeline, which equates to the sales team needing three times its sales quota in the pipeline in order to hit quota; knowing this empowers sales leaders to set realistic expectations and manage accordingly to consistently deliver.

4. Determine what sales materials and tools advance the buying decision.

Assess the materials and tools your salespeople are using, as well as what they need. Determine what's working well, what's not working and what information is needed to advance the buying process.

Decision-makers are able to conduct preliminary research on their own. What they are looking for is value creation and investment justification. Sales professionals are expected to demonstrate how their solution generates quantifiable value.

Ducurated's research showed that respondents cited the top three drivers of winning deals as:

- » Ability to convey value message - 70 percent
- » High-quality content - 57 percent
- » Product differentiation - 43 percent

Relationships and reputation can get you in the right door, but fact-based and relevant proof advances the conversation.

Case studies that demonstrate client return on investment, the ability to negotiate deals within certain margin requirements, product/service training, and subject matter experts who educate the sales team and

support the selling effort all contribute to improved sales productivity.

Understand your clients' buying processes and determine if your company is aligned to optimize execution.

5. Optimize growth with the right sales structure

Sales professionals generate revenue when they are with prospects and clients. Does the current sales structure allow that to happen? Or are salespeople saddled to the office searching for or creating the right sales materials? Are they forced to input redundant data? Do they serve as project managers in order to expedite deliveries? Do they struggle writing proposals?

Each of these responsibilities can best be managed by a top notch inside sales professional, or if your company is large enough, a sales enablement team.

Growing sales requires two elements – focus and momentum. Anything that detracts salespeople from these two elements needs to be re-examined and potentially reassigned. Unburden salespeople from administrative and project management duties. Empower them with the tools and clear runway to penetrate the market and close higher margin deals, faster. ■



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